

May 25, 2016 Notification Email

Dear Oil & Gas Well Operator,

The Pennsylvania Department of Environmental Protection, Office of Oil and Gas Management, is sending this email to provide you with information regarding the following items:

1. The DEP has added language to our FAQ web page clarifying the requirements for submission of Well Records. That information can be found on the “Oil and Gas Frequently Asked Questions” web page (link below). Additionally, that language is provided below for your reference.

Clarification Regarding Well Record Submission Requirements

Pursuant to 58 Pa C.S. §§ 3222(b)(1) and 3222(b)(2), an operator shall maintain a record of each well drilled or altered and file that record with the DEP within 30 days after drilling or altering the well. A Well Record should not be filed with the DEP until all drilling or alteration activities to be conducted pursuant to a particular permit have ceased. Submission of a Well Record shall indicate that all drilling or alteration activities conducted pursuant to a particular permit have been completed. Once drilling has commenced pursuant to a permit, a Well Record must be submitted prior to, or along with, any subsequent submission of a Notice of Intention by Well Operator to Plug a Well form (8000-FM-OOGM005), a Notice of Intention by Well Operator to Plug Project Wells form (8000-FM-OOGM0005A), an Application for Inactive Well Status form (5500-FM-OG0056), or an application to alter or drill deeper (8000-PM-OOGM0001a and 8000-PM-OOGM0001b) for that well. Additionally, once drilling has commenced pursuant to a permit, a Well Record must be submitted within 17 months of the permit issuance date in order to satisfy the due diligence requirements of 58 Pa C.S. § 3211(i).

<http://files.dep.state.pa.us/OilGas/BOGM/BOGMPortalFiles/OilGasReports/2016/Clarification%20Regarding%20Well%20Record%20Submission%20Requirements.pdf>

2. The DEP has revised the Oil and Gas Reporting – Electronic (OGRE), “Spud Notifications Online Submission Guide”. This document provides users with instructions for submitting/updating the drilling commence date (i.e., the “SPUD” date) of a well. This updated guide document is available on our “Oil and Gas Electronic Submission Guides” web page (link below).

<http://files.dep.state.pa.us/OilGas/BOGM/BOGMPortalFiles/OilGasReports/Greenport/Userguides/Oil%20and%20Gas%20Reporting%20Electronic%20SPUD%20Notifications%20Guide.pdf>

3. The DEP has revised the Oil and Gas Reporting – Electronic (OGRE), “DEP Notifications Online Submission Guide”. This document provides users with instructions for submitting/updating the various notifications (e.g., resumption of drilling after a break of 30 days or more, cementing of casing, etc.) pertaining to well operations. This updated guide document is available on our “Oil and Gas Electronic Submission Guides” web page (link below).

<http://files.dep.state.pa.us/OilGas/BOGM/BOGMPortalFiles/OilGasReports/Greenport/Userguides/Oil%20and%20Gas%20Reporting%20Electronic%20DEP%20Notifications%20Guide.pdf>

4. The DEP has revised the Oil and Gas Reporting – Electronic (OGRE), “Act 9 Emergency Response Plan Online Submission Guide”. This document provides users with instructions for submitting/updating unconventional well site emergency response plans. This updated guide document is available on our “Oil and Gas Electronic Submission Guides” web page (link below).

<http://files.dep.state.pa.us/OilGas/BOGM/BOGMPortalFiles/OilGasReports/Greenport/Userguides/Oil%20and%20Gas%20Reporting%20Electronic%20Act%209%20Emergency%20Response%20Plans%20Guide.pdf>

5. The DEP’s Bureau of Waste Management will be revising the 800 series residual waste codes (RWCs) pertaining to non-coal mining, oil and gas, and other well drilling wastes. Specifically, RWCs 802, 805, 808, and 899 will be revised as follows:

802 - Produced Fluid - Includes flow-back, brine, and any other formation fluids recovered from the wellbore. Flow-back is defined as fracturing/stimulation fluids, including fracturing sand, recovered from the wellbore after injection into the wellbore.

805 - Unused Fracturing Fluid Waste - Oil and gas fracturing/stimulation fluid waste and fracturing sand waste that has not been injected into a wellbore.

808 - Servicing Fluid - Oil and gas production well maintenance/workover fluids, oil/water-based mud and foam and well cellar cleanout waste after drilling operations have been completed. Does not include well cellar cleanout waste covered under existing RWCs, well cellar fluids that are recycled/reused, or rainwater that is collected in a well cellar that has not been mixed with residual waste.

899 - Other Oil and Gas Wastes - All remaining oil and gas wastes other than those already covered under existing RWCs. Includes containment water. Does not include rainwater that is collected in a containment area that has not been mixed with residual waste.

Additionally, the DEP is removing RWC 216. Filter socks from erosion and sedimentation (E&S) controls are generally recycled on-site and incorporated into the site completion/restoration. Ancillary material, such as burlap or other fabric, generated from on-site recycling of E&S filter socks should be coded as RWC 710: Plant Trash. If E&S filter socks generated from a well site are sent for offsite disposal and meet the definition of a residual waste, they should be coded as RWC 899: Other Oil and Gas Wastes.

Any waste generated on or after January 1, 2017, should be reported pursuant to these revised RWCs. The waste type codes in the OGRE production/waste reporting application will be updated to reflect these revised RWCs for reporting periods occurring after January 1, 2017.

6. Recently, DEP has received questions regarding how to correctly reuse/recycle liner material generated on an oil and gas well site. Liner materials used on oil and gas well sites (including well site liners, liners used in pits or other approved storage structures, freshwater impoundments, centralized impoundments, or liners used in conjunction with primary containers) are a residual waste. Operators who wish to reuse liner material at another oil and gas well site or return the material to a liner-

processor or manufacturer for reuse can obtain a permit-by-rule (PBR) under the residual waste management regulations, §287.102(b), and request a de-wasting determination under §287.7. The PBR can be obtained by providing a written notice pursuant to §287.102(b), and the de-wasting determination request can be submitted to the Department as part of the same letter. One letter can be used for all facilities/sites owned by an operator that are cleaning/inspecting liner for reuse at another well site. All letters should be sent to Ali Tarquino Morris and should copy the appropriate DEP regional office. For more information, please contact Chris Solloway or Ali Tarquino Morris at 717-783-2388 or by email at csolloway@pa.gov or altarquino@pa.gov.

Please be advised, some of you may have received a similar email, which was apparently widely circulated within the past few weeks, specifying an implementation date of July 1, 2016 for item number 5. Please disregard that previous email. The previous email was a draft that should not have been shared with anyone outside of the DEP. This current email notification, and any future formal notifications from the Office of Oil and Gas Management, will be sent to all DEP GreenPort registered Oil and Gas EFAs and Users, and will be shared with the various Oil and Gas industry organizations.

Please contact me with any questions you may have regarding these items.

Respectfully,

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